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DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648-XF187

Fishing Capacity Reduction Program for the Southeast Alaska Purse Seine Salmon Fishery

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of unsuccessful referendum.

SUMMARY: NMFS issues this notice to inform persons of the unsuccessful referendum for a second fishing capacity reduction loan in the Southeast Alaska Purse Seine Salmon Fishery, effective January 17, 2017.

FOR FURTHER INFORMATION CONTACT: Michael Sturtevant at (301) 427-8799, fax (301) 713-1306, or michael.a.sturtevant@noaa.gov.

SUPPLEMENTARY INFORMATION:

I. Background

The Southeast Alaska Purse Seine Salmon Fishery is a commercial fishery in Alaska state waters and adjacent Federal waters. It encompasses the commercial taking of salmon with purse seine gear, and participation is limited to fishermen designated by the Alaska Commercial Fisheries Entry Commission (CFEC). Congress authorized a \$23.5 million loan to finance a fishing capacity reduction program in the Southeast Alaska Purse Seine Salmon Fishery. NMFS published proposed program regulations on May 23, 2011 (76 FR 29707), and final program regulations on October 6, 2011 (76 FR 61986), to implement the reduction program.

In 2012, NMFS conducted a referendum to determine the remaining fishermen's willingness to repay a \$13.1 million fishing capacity reduction loan to remove 64 permits. After a majority of permit holders approved the loan, NMFS disbursed payments to the successful bidders and began collecting fees to repay the loan.

In August 2016, the Southeast Revitalization Association (SRA) submitted a second capacity reduction plan to NMFS and NMFS approved the second plan in October 2016. Since only \$13.1 million was expended from the total loan amount, \$10.4 remains available. Approval of this second referendum would have resulted in a second loan of \$5.8 million and permanently retired an additional 22 permits from the fishery. The final regulations required NMFS to provide public notice before conducting a referendum to determine the industry's willingness to repay a second fishing capacity reduction loan to purchase the permits identified in the second reduction plan.

Comments on the proposed referendum were accepted until 5 p.m. EST December 7, 2016. Between November 14 and November 17, 2016, NMFS held a series of public meetings with Southeast Alaska purse seine salmon permit holders and interested individuals. The meetings were held in Sitka, AK, Ketchikan, AK, Petersburg, AK, and Seattle, WA.

II. Present Status

As of October 21, 2016, there were 315 permits in the fishery designated as S01A by CFEC. These permanent permit holders were eligible to vote in this second referendum. NMFS mailed referendum information, voting instructions, and a referendum ballot to each of the permit owners. The referendum voting period commenced December 13, 2016 and ended on January 13, 2017. Any votes received by NMFS after 5 p.m. on January 13, 2017, were not counted. NMFS issued 315 ballots.⁵⁰ CFR § 600.1107 (e) (3) (ii), states that "a successful

referendum by a majority of the Permit Holders in the Reduction Fishery shall bind all parties and complete the reduction process,” Therefore, a minimum of 158 ballots in favor of the buyback program was necessary to approve the new fees. NMFS received 180 (57 %) timely and valid ballots. 132 were for approving the proposed buyback. As a result, the proposed buyback referendum was not successful and the second buyback loan was not approved.

Dated: February 8, 2017.

Brian T. Pawlak,
CFO/Director,
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National Marine Fisheries Service.

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